MEMORANDUM FOR : Chief, Staff Personnel Division   30 Nov 1981

SUBJECT   : Entrance Salary Levels

1. On occassion, we hear that our entrance salary offers are
not competitive and that we, therefore, lose out on the best-qualified
applicants. In attempting to assess this matter, I first looked at
a sampling of our professionals who EOD'd during the period June to
September 1981. The hiring grade of the 144 cases reviewed fell out
as follows:

         GS-07   26
         GS-08   16
         GS-09   36
         GS-10 & above 66

2. Our general hiring guidelines, a copy of which is attached,
offers a GS-09 for candidates with a master's degree and two or less
years of relevant experience. Assuming then that those hired at the
GS-09 and above level have advanced degrees and/or relevant experience,
122 or 71% of this sample group were non-entrance level hires. The
experience factor is further evidenced by the fact that 42 cases or
34% were hired at an in-step rate to either match or excede their
former salary. (The use of in-steps increases dramatically for the
GS-10 and above hires, as 37 or 56% EOD'd with in-steps.) I find
this use of in-steps to be an appropriate and viable management tool,
from both a competitive salary and staffing point of view.

3. Conversely, with two major exceptions, in-steps are rarely
requested at the true entrance level, GS-07 and GS-08. The excep-
tions are computer scientists and engineers (computer scientists
have generally come to be hired at the GS-07 step 6 level and engineers
at a GSE with in-steps rate.) Beyond these two categories, only three
of the GS-07s were hired with in-steps and none of the GS-08s.

4. In analyzing this EOD pattern, the question raised is whether
we're hiring a high percentage of experienced professionals because
that's what we really want and need or whether we're hiring relatively
few entrance level candidates because our salary offers aren't
competitive. In my opinion, the former statement is correct, whereas
the latter may be true but occupations such as engineering, computer
science, and the physical sciences, may be an exception.

5. Those categories are certainly important to the Agency, so
how do we best adapt to those cases without basing our whole grade
pattern on the exceptions rather than the norms? Some easily
discerned options and the pros and cons thereof are:

         a. Continue with the current practice,e.g. consider the
             merits of each case individually. This works, but it
             involves extra paperwork in the form of in-hire requests
             or requests for D/Personnel exceptions. Engineers are
             particularily troublesome as technically the GSE
             engineering candidate should be under consideration for
             a GSE position. However, there are only eleven such
             positions throughout the entire Agency.

b. Recommend D/Personnel's temporary approval of a GSE-type pay scale that would apply to occupations beyond the engineering field. I emphasize temporary, as the second phase of the ongoing pay study is to address the competitiveness of our entrance level salaries, with R&P's input. I see little to be gained at this time by us duplicating the prospective efforts of the study group. To sit tight until that time, however, does nothing to ensure competitiveness for the spring 1982 graduating classes. The problem with this proposal would be equitably determining the categories that should receive the higher pay rates. Every component with a requirement would clamor for it, whether or not they had the corresponding funds to pay for it.

c. Revise our guidelines to hire at the GS-09 level for a relevant masters degree with no experience. Existing grade structures could easily accommodate this and added flexibility would be gained. It would not, however, alleviate in-hires for computer science and engineering candidates.

d. Seek D/Personnel approval to hire entrance level computer and physical scientists up to the GS-07 step 9 level and engineers at the GSE-07 step 5 level without the need for in-hires or a GSE position. A revision of these levels might be necessary with the 1982 issuance of the CPC salary survey, but for now, these salaries would appear competitive as indicated below.

		Avg. Approval		1981 CPC	Proposed	
	Grade	Oct '80	Oct '81			
Computer Prog	GS-7/6	$17,723	$18,046	$19,488	GS-7/9	$20,170
Engineers	GSE-7/4	21,265	21,763	21,888	GSE-7/5	22,294
Other scientists	GS-7/1	15,193	15,922	20,640	GS-7/9	20,170

6. I recommend further consideration of options c. and d.

STAT

Chief, Professional Staffing Branch